



Texas Brine Company, LLC

1301 Highway 70
Belle Rose, LA 70341
Phone: 985-369-6657
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August 29, 2013

Commissioner James H. Welsh
P.O. Box 94275
Baton Rouge, LA 70804

RE: In response to State of Louisiana Department of Natural Resources Office of Conservation's Second Amendment to Declaration of Emergency and Directive

Commissioner Welsh,

In response to the Second Amendment and Declaration of Emergency and Directive order issued by the Louisiana Department of Natural Resources (LDNR), Office of Conservation on September 25, 2012, Texas Brine Company, LLC (TPC) understands the seven items listed in the document.

In the above mentioned, TBC was specifically directed and ordered to perform certain tasks outlined in the above mentioned document. Below are the required responses, as directed.

1. TBC's counsel provided LDNR legal counsel with a response to Directives 1-3 on September 28, 2012.
2. TBC understands Directive 4, which is to provide all daily logs and field notes from all contractors conducting investigation into subsidence and natural gas bubbling. The Daily Action Summary and results for current information can be found in the Attachment section of this report.
3. TBC understands Directive 5, which directs TBC to immediately allow for split or share any sample taken on site related to Well 3A (Serial Number 974265), the cavern, other wells facilities or other site locations. The Daily Action Summary of today's collection can be found in Attachment section of this report.
4. TBC understands Directive 6, which directs TBC to immediately report the results (final and preliminary) of any tests, logs samples or data collection performed on Well 3A, the cavern, other wells, facilities or site locations that indicate a change in any previously known conditions related to the investigation of the subsidence or natural gas bubbling

events, and continue to report any such results. The Daily Action Summary and the Results related to this Directive can be found in Attachment section of this report.

5. TBC understands the Directive 7, which states that TBC will provide a daily summary of all tests, or logs performed or samples taken from Well 3A and the cavern as well as any results of those tests or logs, including preliminary as of September 25, 2012 and going forward. The Daily Summary and Results related to this Directive can be found in Attachment section of this report.

Please note that the drilling rig used for the Observation Well 3A has been removed and the site is being rigged down and returned to pre-drilling condition. As such, daily drilling reports for this well have ceased. Plans are being made for longer term potential gas venting/flaring requirements and possible hydrocarbon material recover from Well 3A.

In addition, previous daily summary reports issued to LDNR have included significant duplicate information as there is a fair amount of overlap in the information requested in each of the Directives included in the September 25, 2012 order. All requested information associated with the Directives issued in the September 25, 2012 order are included in the Attachment section of this report.

TBC believes that the submittal of this report satisfies the requirements of the Declaration of Emergency and Directive issued on September 25, 2012. As directed this report is submitted by email to conservationorder@la.gov, ref. "Emergency Declaration-Texas Brine Company LLC-9/25/2012.



Bruce E. Martin

Vice President, Operations

Texas Brine Company, LLC

Summary Table for Daily Events

TBC Oxy Grand Bayou Data Management-Environmental											
Contractor	Responsibilities	Collected By		Date Collected		Delivered to Lab	Results from Lab	Laboratory	Method	Date to Agencies	
Sage	Stationary Air Monitoring	Bijet Mukherjee - 08:05 - 10:20 Darlene McManus (Code Red) - 07:00 - 17:00		8/28/2013		NA	NA	NA	AreaRAE Monitors	8/29/2013	
	Residential Air Monitoring	Sage has been requested to suspend bimonthly residential air monitoring. Therefore, Sage will discontinue these activities.		NA		NA	NA	NA	NA	NA	
	Gas Seep Sampling	No work performed		8/28/2013		NA	NA	NA	NA	NA	
	Well Gas Sampling	No work performed		8/28/2013		NA	NA	NA	NA	NA	
	Under Slab Gas Sampling	No work performed		8/28/2013		NA	NA	NA	NA	NA	
	Indoor Air Monitoring	No work performed		8/28/2013		NA	NA	NA	NA	NA	
Respec	Inclinometers/Tilt Meters/Transducers	8/27- 8/28/2013	No work Conducted	NA	NA	NA	NA		NA	NA	
	InSAR Reflector Installations	8/27- 8/28/2013	No work Conducted	NA	NA	NA	NA		NA	NA	
	Subsidence Survey-Fenstermaker	8/27- 8/28/2013	No work Conducted	NA	NA	NA	NA		NA	NA	
	Shallow Geophone Installation	8/27- 8/28/2013	No work Conducted	NA	NA	NA	NA		NA	NA	
	Deep Geophone Installation	8/27- 8/28/2013	No work Conducted	NA	NA	NA	NA		NA	NA	
	Amendment #3, Directive #2	8/27- 8/28/2013	No work Conducted	NA	NA	NA	NA		NA	NA	
	Expansion of geoprobe gas sampling locations	8/27- 8/28/2013	No work Conducted	NA	NA	NA	NA		NA	NA	
	DPVE Pilot Test	8/27- 8/28/2013	Equipment set up and calibration. Test Start-Up	P.Smith, N. Marnach	NA	NA	NA	NA	NA	NA	NA
MIHPT	8/27- 8/28/2013	MIHPT 34 and 35	NA	NA	NA	NA		NA	NA	NA	
Miller	Weekly Stability Survey	Herschel Sauce		August 28, 2013		NA	NA	NA	NA	NA	
	Misc. Survey Work	Kevin Pichoff		August 28, 2013		NA	NA	NA	NA	NA	
	Sinkhole Hydro/Perimeter Survey	No Work Performed		August 28, 2013		NA	NA	NA	NA	NA	
Pisani	Surface Water	NA		8/26 -8/28/2013		NA	NA	NA	NA	NA	
	Industrial Well Water	NA		8/26 -8/28/2013		NA	NA	NA	NA	NA	
									Chloride, Bromide and Sulfate (Inorganic Anions) – SW-846 9056A, Conductivity – SM 2510B, TDS – SM 2540C, Cations/metals – SW-846 6010B, Carbonate & Bicarbonate Alkalinity – SM 2320B, BTEX – SW-846 8260B, TPH Fractions – TX 1006/LA 1006, and Dissolved Gases - RSK-175, PAHs / Chloride, Bromide and Sulfate (Inorganic Anions) – SW-846 9056A, Conductivity – SM 2510B, TDS – SM 2540C, Cations/metals – SW-846 6010B, Carbonate & Bicarbonate Alkalinity – SM 2320B, BTEX – SW-846 8260B, TPH Fractions – TX 1006/LA 1006, and Dissolved Gases - RSK-175, PAHs		
	MRAA Well Water	PMR		8/27/2013		8/29/2013	NA	GCAL		NA	
	GP/ORW Water	NA		8/26 -8/28/2013		NA	NA	NA		NA	
	Cavern Brine	NA		8/26 -8/28/2013		NA	NA	NA		NA	
Geoprobe Wells	NA		8/26 -8/28/2013		NA	NA	NA		NA		
Grand Bayou Well 3A											
Daily Operations at 3A		Summary of Today's events									
		Oxy 3A									
8/29/2013		7am	679.22	8/29/2013							
8/29/2013		Relief Well #1									
		See ORW-01 Flare Spreadsheet									

Attachments

Daily Action Summary

August 28, 2013

Stationary Air Monitoring

- Bijet Mukherjee onsite from 08:05 to 10:20. Changed out the monitors between 08:19 and 09:46. Collected data from the monitoring database and forwarded to Eric Rucinski in the Baton Rouge office for processing.
- Darlene McManus of Code Red (monitor sub-contractor) onsite from 07:00 to 17:00. Assisted in battery change outs and maintenance of the monitoring equipment.

NOTE: Sage personnel were directed to relocate ST-1, ST-2b, and ST-3 outside of the sinkhole containment berm. The new monitoring locations are detailed below:

Monitoring Location	Longitude	Latitude
ORW- 7	91° 8'43.66"W	30° 0'39.42"N
ORW-8	91° 8'41.89"W	30° 0'43.24"N
ORW-11	91° 8'39.91"W	30° 0'47.95"N

Additionally, a longer period was necessary for monitor changeout on August 28, 2013 causing downtime at Pad #9 and TR-1 from 09:00 to 10:00.

Residential Air Monitoring

- Sage has been requested to suspend bimonthly residential air monitoring. Therefore, Sage will discontinue these activities. The last event was conducted on March 26, 2013.

Gas Seep Sampling

- Not Scheduled

Well Gas Sampling

- Not Scheduled

Under Slab Gas Sampling

- Not Scheduled

Air Indoor Monitoring

- Not Scheduled

Texas Brine - Belle Rose, Louisiana
Hourly Air Monitoring Data

*Time indicates start of time period (ex. 12:00:00 AM gives the time period 12:00:00 AM to 12:59:59 AM)

Date-Time *	South-most Pipeline Site					Observation Relief Well -7					Middle-most Pipeline Site					Observation Relief Well - 8					North-most Pipeline Site					Observation Relief Well -11					South of OG3A-1					Onsite Trailers				
	ST-3					ORW-7					ST-2b					ORW-8					ST-1					ORW-11					Pad #9					TR-1				
	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)					
08/28/2013 01:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	21.6	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 02:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 03:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 04:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 05:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 06:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 07:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 08:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
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Notes:
Sage personnel were directed to relocate ST-1, ST-2b, and ST-3 outside of the sinkhole containment berm. New monitoring locations will be at ORW-7, ORW-8, and ORW-11.
A longer period was necessary for monitor changeout causing downtime at Pad #9 and TR-1.



Texas Brine - Belle Rose, Louisiana
Hourly Air Monitoring Data

*Time indicates start of time period (ex. 12:00:00 AM gives the time period 12:00:00 AM to 12:59:59 AM)

Date-Time *	South-most Pipeline Site					Observation Relief Well -7					Middle-most Pipeline Site					Observation Relief Well - 8					North-most Pipeline Site					Observation Relief Well -11					South of OG3A-1					Onsite Trailers									
	ST-3					ORW-7					ST-2b					ORW-8					ST-1					ORW-11					Pad #9					TR-1									
	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	Non-Methane VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)					
08/28/2013 05:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9						<1.0	0.0	0.0	0.0	20.9						0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 06:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9						<1.0	0.0	0.0	0.0	20.9						0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 07:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9						<1.0	0.0	0.0	0.0	20.9						0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
08/28/2013 08:00:00 AM	0.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9						<1.0	0.0	0.0	0.0	20.9						0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.9
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Notes:
Sage personnel were directed to relocate ST-1, ST-2b, and ST-3 outside of the sinkhole containment berm. New monitoring locations will be at ORW-7, ORW-8, and ORW-11.
A longer period was necessary for monitor changeout causing downtime at Pad #9 and TR-1.

RESPEC Consulting & Services

Texas Brine, L.L.C.

Assumption Parish, Louisiana

Daily Field Report

Report By: Pete Smith

Date: 8/27/13

Company: RESPEC

Job #: 02241

Personnel	Company	Job Title
Peter Smith, CPG	RESPEC	Staff Geologist
Nick Marnach	RESPEC	Staff Engineer

Time On Site: Start Time: 07:30 End Time: 18:00

DAILY ACTIVITY

MiHPT: No MiHPT today. MiHPT crew replaced grout tubing, cleaned and reassembled equipment.

DPVE Pilot Test: 3-phase electric hook up; staged frac tank. Set up and equipment calibration completed.

PROPOSED SCHEDULE

MiHPT: MiHPT 34 and 35.

DPVE Pilot Test: Start-up.

Initials: PHS

RESPEC Consulting & Services

Texas Brine, L.L.C.

Assumption Parish, Louisiana

Daily Field Report

Report By: Pete Smith

Date: 8/28/13

Company: RESPEC

Job #: 02241

Personnel	Company	Job Title
Peter Smith, CPG	RESPEC	Staff Geologist
Nick Marnach	RESPEC	Staff Engineer

Time On Site: Start Time: 07:30 End Time: 19:00

DAILY ACTIVITY

MiHPT: MiHPT 34 and 35 were completed. Logs forwarded to Hecox and added to the Box.

DPVE Pilot Test: Assisted Summit and MK with start-up of DPVE Pilot Test. Manual readings were collected from wells prior to system startup. The groundwater pump was turned on at DPVE-26-3A at approximately 10:20 AM; some difficulty with the pneumatic pump due to positive pressures. The vacuum portion of the system was turned on at 10:50 AM. The vacuum was turned up to 25 in. Hg at 3:25 PM. Second well DPVE-26-1 was turned on at 4:45 PM; the pump would not run consistently.

Instrumentation: Downloaded radio and data logger configuration from Brine Tanks (site 02). Installed CR1000 data logger and radio at DPVE rig and coordinated with Eric Krantz towards the telemetering of DPVE monitoring site data. Planned the removal of sites 88 and 99 on Pad 3 by Friday 8/30.

PROPOSED SCHEDULE

MiHPT: MiHPT 36 and 37.

DPVE Pilot Test: Well DPVE-26-1 will be retrofitted with a drop tube to overcome the water/pump issues. This will enable the vacuum system to operate in dual phase mode.

Initials: PHS

ME&A Daily Action Summary

August 28, 2013

Subsidence Survey:

- Arrived @ 8:30 am
- Ran conventional level loop starting at TBM 2 which is a nail set in a power pole adjacent to the main roadway and OxyGeismar #2 well pad. Ran level loop through brine wells (1,2 & 3), water wells (1,2 & 3), TBM's, and the two brine storage tanks

Sinkhole Perimeter/Hydrographic Survey:

- No Work Done

Support Sinkhole Cleanup

- No Work Done

Misc. Survey Work

- Survey installed CPT's and wells as directed by TBC subcontractors.
- Departed @ 12:30 pm

Michael Pisani & Associates
Texas Brine, L.L.C.
Assumption Parish, Louisiana
Daily Field Report

Report By: Patrick Ritchie
 Company: MP&A

Date: 8/26/2013
 Work Order # 80-05

Health and Safety Meeting YES NO

Weather: 93 F Mostly cloudy

Personnel	Company	Job Title
<u>Charles Trahan</u>	<u>MP&A</u>	<u>Geologist</u>

Site Activities: Start Time 6:55 End Time 17:00

Equipment On-site:
 Sonic rig
 Truck with poly water tank
 Skid steer

Daily Activity:
 Moved to MRAA-4M location instead of MRAA-5M due to wet site conditions.
 Advanced sonic pipe to 245' bgs.
 Work stop at MRAA-4M due to Code 3.
 Finish pad forms, protective casing and protective poles at installed wells.

Estimated time of completion:
 On-going

Proposed schedule:
 Conduct in-situ monitoring of industrial water wells
 Measure water level for the industrial water wells and MRAA wells
 Measure pressure and water level at TBC Geoprobe locations
 Collect laboratory samples from the industrial water wells
 Observe, video, measure bubble sites

Estimated time of completion:
 On-going

Initials: PMR

Michael Pisani & Associates
Texas Brine, L.L.C.
Assumption Parish, Louisiana
Daily Field Report

Report By: Patrick Ritchie
 Company: MP&A

Date: 8/27/2013
 Work Order # 80-05

Health and Safety Meeting YES NO

Weather: 96 F Partly cloudy

Personnel	Company	Job Title
Charles Trahan	MP&A	Geologist
Patrick Ritchie	MP&A	Environmental Scientist

Site Activities: Start Time 6:55 End Time 17:00

Equipment On-site:
 Sonic rig
 Truck with poly water tank
 Skid steer

Daily Activity:
 No work at MRAA-4M due to Code 3.
 Poured pads at MRAA-8S, MRAA-8M, MRAA-6S, MRAA-6M and MRAA-1S.
 Collect laboratory samples from MRAA wells
 Deploy pressure transducer in MRAA-01M

Estimated time of completion:
 On-going

Proposed schedule:
 Conduct in-situ monitoring of industrial water wells
 Measure water level for the industrial water wells and MRAA wells
 Measure pressure and water level at TBC Geoprobe locations
 Collect laboratory samples from the industrial water wells
 Observe, video, measure bubble sites

Estimated time of completion:
 On-going

Initials: PMR

Michael Pisani & Associates
Texas Brine, L.L.C.
Assumption Parish, Louisiana
Daily Field Report

Report By: Patrick Ritchie
 Company: MP&A

Date: 8/28/2013
 Work Order # 80-05

Health and Safety Meeting YES NO

Weather: 94 F Partly cloudy

Personnel	Company	Job Title
Charles Trahan	MP&A	Geologist
Patrick Ritchie	MP&A	Environmental Scientist

Site Activities: Start Time 6:55 End Time 17:30

Equipment On-site:
 Sonic rig
 Truck with poly water tank
 Skid steer

Daily Activity:
 Log borehole at MRAA-4M.
 Set well at MRAA-4M, screened 235-245' bgs. Native collapse then 20/40 sand and bentonite pellets set above screen.
 Collect laboratory samples from MRAA wells
 Collect laboratory sample from roll-off box material

Estimated time of completion:
 On-going

Proposed schedule:
 Conduct in-situ monitoring of industrial water wells
 Measure water level for the industrial water wells and MRAA wells
 Measure pressure and water level at TBC Geoprobe locations
 Collect laboratory samples from the industrial water wells
 Observe, video, measure bubble sites

Estimated time of completion:
 On-going

Initials: PMR